

# AUSTRALIAN BUREAU OF STATISTICS

CANBERRA

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## AVERAGE WEEKLY EARNINGS, DECEMBER QUARTER 1975 (PRELIMINARY)

#### MAIN FEATURES

- The preliminary estimate of average weekly earnings per employed male for the December quarter 1975 is \$172.40.
- o In seasonally adjusted terms the estimate is \$163.80. This is 3.1 per cent higher than the estimate for the September quarter 1975 and 11.3 per cent higher than that for December quarter 1974.
- The increase during the quarter resulted mainly from the effect of the National Wage Case increase of 3.5 per cent, which applied towards the end of September 1975.

#### **EXPLANATORY NOTES**

#### Introduction

This preliminary statement contains estimates of the average weekly earnings of civilian employees for Australia. It should be noted that the estimates for the most recent quarter are preliminary and are likely to be revised when the more detailed publication Average Weekly Earnings (Reference No. 6.18) is issued.

#### Definition of earnings

2. The earnings figures used in the calculation of the averages comprise award and over-award wages and salaries, the earnings of employees not covered by awards, overtime earnings, bonuses and allowances, commissions, directors' fees and payments made retrospectively or in advance during the quarter. Earnings of part-time as well as full-time employees, and of juniors as well as adults, are included.

### Method of estimation

3. For industries other than agriculture and private domestic service, particulars of employment and wages and salaries are derived from payroll tax returns and from direct returns from government and other bodies. These returns account for approximately 90 per cent of wage and salary earners in these industries, as published monthly in the bulletin *Employment and Unemployment* (Reference No. 6.4). Estimates are made for the unrecorded balance.

4. For employees reported on more than one payroll, all reported wage and salary earnings are included in calculation of the averages.

#### Male units

- 5. Particulars of wages and salaries paid are not available for males and females separately from the sources used for this series; average weekly earnings have therefore been calculated in terms of *male units*, i.e. total male employees plus a proportion of female employees, the proportion being derived from the estimated ratio of female to male average earnings.
- 6. The ratio used at present is 64 per cent. Changes in these ratios may be necessary from one quarter to the next to reflect, for example, the extension of equal pay provisions, or appreciable and sustained changes in the levels of male overtime earnings. However, small differences in these ratios have relatively little effect on the earnings figures; if the ratio is understated by one per cent then average weekly earnings of \$150 would be overstated by about 60 cents.

#### Seasonally adjusted estimates

- 7. Quarterly figures are affected by seasonal influences. For example, special payments, including prepayment for holiday periods, tend to raise the December quarter and to depress the March quarter averages. In addition, figures are affected by the varying number of pay-days in different quarters. Allowance for these variations, and for recurring seasonal influences, has been made in calculating the seasonally adjusted estimates.
- 8. The seasonal adjustment factors are derived from a series from which the influence of major changes in awards and determinations and estimates of the effects of pay-day variations has first been removed. While the seasonally adjusted series retain the effect of the major award etc. changes, the pay-day effect is excluded. A detailed description of the methods of seasonal adjustment is given in Seasonally Adjusted Indicators, 1975 (Reference No. 1.10).

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## AVERAGE WEEKLY EARNINGS PER EMPLOYED MALE UNIT (a): AUSTRALIA

Quarter	Original \$	Seasonally adjusted (h) \$	Quarterly change (c) %	Annual change (d) %
1973 –				
September	110.20	111.30	+4.6	+13.7
December	119.90	115.00	+3.3	+15.2
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1974 -				
March	113.30	119.40	+3.8	+16.5
June	128.50	126.80	+6.2	+19.2
September	137.90	139.50	+10.0	+25.3
December	154.20	147.20	+5.5	+28.0
1975 -				
March	143.60	152.00	+3.3	+27.3
June	156.30	154.20	+1.4	+21.6
September	157.70	158.80	+3.0	+13.8
December (e)	172.40	163.80	+3.1	+11.3

(a) See explanation in paragraphs 5 and 6. (b) See paragraphs 7 and 8. (c) Percentage change over previous quarter in the seasonally adjusted series. (d) Percentage change over same quarter of previous year in the seasonally adjusted series. (e) Preliminary estimates, subject to revision.



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NOTE. Inquiries concerning these statistics may be made in Canberra by telephoning Mr G. Angus on 52 6572 or, in each State capital, by telephoning the office of the Australian Bureau of Statistics.